# **COUNCIL - 17 MAY 2016**

# RELEASE OF RESTRICTIVE COVENANTS, MIDDLEFIELD LANE

# REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)



## PURPOSE OF REPORT

1.1 To seek consent for a proposal to permit a sewer to be constructed across council land and for release of restrictive covenants

## 2. RECOMMENDATIONS

2.1 That Council approve the permitting a sewer to be constructed across the land forming part of the former depot site and release covenants on adjacent land so that it can be developed for housing upon payment to the council of £160,000

## BACKGROUND TO THE REPORT

3.1 This plan shows the former depot site coloured pink and the rear of two houses at 122 and 124 Middlefield Rd edged red and coloured brown. A proposed sewer wayleave route is shown in red



- 3.2 Planning consent is awaited for 9 houses on the garden land but the land was originally sold by the council with restrictive covenants for small holding use and just one dwelling on each parcel. The site also needs access across the depot site for a sewer. (see further detail of the development in Appendix 1)
- 3.3 An external valuer was appointed and after further discussion with the intended developer the recommendation is that £146,000 be paid for release of the covenants

and £14,000 for the sewer route [as it slightly restricts potential development of the depot site

# 4. FINANCIAL IMPLICATIONS [IB]

4.1 Sale proceeds will be treated as a capital receipt and will be used to underpin capital programme.

# 5. <u>LEGAL IMPLICATIONS [AR]</u>

- 5.1 Section 123 of the Local Government Act 1972 empowers the Council to dispose of its land provided the Council secures the best consideration that can reasonably be obtained when disposing of the land.
- 5.2 'Disposal' includes a sale of the freehold interest and the grant of an easement.
- 5.3 The Council cannot dispose of its land for a consideration less than the best that can be reasonably obtained in the market except with the express consent of the Secretary of State unless the disposal complies with the terms and conditions set out in the Local Government Act 1972 General Disposal Consent (England) 2003
- 5.4 The consideration in respect of the sewer route will require best consideration and this has been secured.
- 5.5 There will be a requirement to prepare legal agreements for the release of the restrictive covenant, the securing of the sewer route, and the required works for the construction of the sewer. This will be carried out by Legal Services.
- 5.6 Should the Council decide not to release the covenant, the owner can make an application to the Upper Lands Tribunal to have the restrictive covenant removed

## 6. CORPORATE PLAN IMPLICATIONS

6.1 This proposal supports the objectives of Creating a vibrant place to work and live.

# 7. CONSULTATION

7.1 No external consultation undertaken except within the planning process. Asset Management Strategy Group recommended this proposal 20 April 2016.

## 8. RISK IMPLICATIONS

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
The route of the sewer might be obstructive to any future development	Optimisation of route alignment	R Vaughan

## KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

9.1 An opportunity to provide some further affordable housing.

# 10. <u>CORPORATE IMPLICATIONS</u>

- 10.1 By submitting this report, the report author has taken the following into account:
  - Community Safety implications
  - Environmental implications
  - ICT implications
  - Asset Management implications
  - Procurement implications
  - Human Resources implications
  - Planning implications
  - Data Protection implications
  - Voluntary Sector

Background papers: None

Contact Officer: Robert Vaughan FRICS, ext 5867

Executive Member Cllr M Surtees

**APPENDIX 1**: detail of the development under Planning Application 15/00402/OUT

